



July 9, 2020

For Immediate Release

Company Name: NICHIGAKKAN CO., LTD.  
Representative: Nobusuke Mori, Representative Director and President  
(Securities Code: 9792, First Section of the Tokyo Stock Exchange)  
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### **Partial Amendment of “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” [Amendment]**

The Company hereby makes an announcement as follows, because certain matters in the “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” released on May 8, 2020 (including the amendments provided in the “Partial Amendment of ‘Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares’ [Amendment]” released on June 22, 2020) have required partial amendment (such amendments hereinafter the “**Amendments**”).

The Amendments have arisen in conjunction with the extension by K.K. BCJ-44 (“**Tender Offeror**”) of the purchase etc. period (“**Tender Offer Period**”) of the tender offer (“**Tender Offer**”) for outstanding common shares (“**Company Shares**”) and Stock Acquisition Rights(\*) in the Company, and with the emergence of grounds for *gratis* acquisition of the performance-target-commitment-type transfer-restricted stock compensation owned by some of the shareholders that have executed tender offer subscription agreements with the Tender Offeror, as is described in the “Notice Concerning K.K. BCJ-44’s Amendment to Terms of Tender Offer for Shares etc. of NICHIGAKKAN CO., LTD. (Securities Code: 9792)” released today in accordance with a request by the Tender Offeror under Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act.

In order to provide Company shareholders with an opportunity to make determinations in consideration of the fact that the market price of Company Shares has shifted upward so as to surpass the Tender Offer Price, the Tender Offeror, on June 22, 2020, extended the Tender Offer Period to July 9, 2020 (“**First Extension**”), and for the same reason, the Tender Offeror decided on July 9, 2020 to further extend the Tender Offer Period to August 3, 2020. The Tender Offeror had not discussed changing the Tender Offer Price or the Stock Acquisition Right Purchase Prices as of either June 22, 2020, when the decision was made to provide the First Extension, or July 9, 2020.

In response to the upward shift of the Company Share market price over the Tender Offer Price, the Company has confirmed with the Tender Offeror the possibility of changes to the Tender Offer Price and Stock Acquisition Right Purchase Prices and has held various discussions in the expectation that the Tender Offeror may propose changes to the conditions of the Tender Offer; however, as of July 9, 2020, the Company has neither made any decision to amend the particulars of the Board of Directors meeting resolution described in the “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” released on May 8, 2020, nor received from the Tender Offeror any proposal for changes to Tender Offer conditions other than the extension of the Tender Offer Period. In view of the continuing upward movement of the Company Share market price over the Tender Offer Price, the Company believes that the further extension of the Tender Offer Period is reasonable and will provide Company shareholders with an opportunity to make long-term determinations.

Going forward, the Company will make a prompt announcement whenever it has identified facts requiring disclosure or such facts have arisen.

The amended areas are indicated by underlining.

(\*) “Stock Acquisition Rights” collectively refers to the following stock acquisition rights.

- (1) Share options (ordinary type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 30, 2015 (exercise period from July 25, 2015 to July 24, 2045);
- (2) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 30, 2015 (exercise period from July 25, 2015 to July 24, 2045);
- (3) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 28, 2016 (exercise period from July 26, 2016 to July 25, 2046);
- (4) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 27, 2017 (exercise period from July 25, 2017 to July 24, 2047);
- (5) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 26, 2018 (exercise period from July 24, 2018 to July 23, 2048); and
- (6) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 25, 2019 (exercise period from July 23, 2019 to July 22, 2049).

#### Amendments

### 3. Substance of and Grounds and Reasons for Opinion Relating to Tender Offer

#### (2) Grounds and Reasons for Opinion

##### (i) Overview of the Tender Offer

##### Pre-Amendment

*<preceding text omitted>*

Additionally, when conducting the Tender Offer, the Tender Offeror entered into Tender Offer Acceptance Agreements (“Tender Agreements”) on May 8, 2020 with Mr. Mori, the Company representative director and president (number of shares held: (note 4) 55,508 shares; number of Stock Acquisition Rights held: 67,500 units (number of subject shares: 67,500 shares); ownership ratio (note 5): 0.19%), the relatives of Former Chairman Terada: the Company vice president and representative director Mr. Daisuke Terada (number of shares held: 4,699,124 shares; number of Stock Acquisition Rights held: 105,900 units (number of subject shares: 105,900 shares); ownership ratio: 7.30%); the Company managing director Mr. Tsuyoshi Terada (number of shares held: 3,581,724 shares; number of Stock Acquisition Rights held: 38,600 units (number of subject shares: 38,600 shares); ownership ratio: 5.50%); Ms. Kuniko Terada (number of shares held: 5,074 shares; ownership ratio: 0.01%); Mr. Keisuke Terada (number of shares held: 2,737,174 shares; ownership ratio: 4.16%); Ms. Ayako Terada (number of shares held: 688,100 shares; ownership ratio: 1.05%); and Ms. Akemi Takato (number of shares held: 698,249 shares; ownership ratio: 1.06%), as well as Yugen .Kaisha. Meiko (“Meiko”; number of shares held: 82,800 shares; ownership ratio: 0.13%), an asset management company, all of the outstanding shares of which are owned by Mr. Keisuke Terada and Ms. Ayako Terada (collectively referred to as “Shareholders Agreeing to Tender”). The Shareholders Agreeing to Tender have agreed to tender all of the Shares and Stock Acquisition Rights that they each hold (excluding 39,650 shares of transfer-

restricted stock held by Mr. Mori, 19,975 shares of transfer-restricted stock held by Mr. Daisuke Terada and 9,625 shares of transfer-restricted stock held by Mr. Tsuyoshi Terada allotted to them as officers of the Company in the form of transfer-restricted stock compensation) (number of shares held: 12,478,503 shares; number of Stock Acquisition Rights: 212,000 units (number of subject shares: 212,000 shares); ownership ratio: 19.28%; referred to as the “Tender-Agreed Shares etc.”) in the Tender Offer. For details concerning the Tender Agreements, see “(1) Tender Agreements” under “4. Matters Relating to Material Agreements Concerning Tendering of Shares in Tender Offer between the Tender Offeror and Company Shareholders, Directors, and Others” below.

*<omitted>*

Thereafter, in order to provide Company shareholders with an opportunity to make determinations in consideration of the fact that the market price of Shares had moved so as to surpass the Tender Offer Price, the Tender Offeror decided, on June 22, 2020, to extend the Tender Offer Period to July 9, 2020. As of June 22, 2020, the Tender Offeror has not discussed changing the Tender Offer Price or the Stock Acquisition Right Purchase Prices.

#### Post-Amendment

*<preceding text omitted>*

Additionally, when conducting the Tender Offer, the Tender Offeror entered into Tender Offer Acceptance Agreements (“Tender Agreements”) on May 8, 2020 with Mr. Mori, the Company representative director and president (number of shares held: (note 4) 55,508 shares; number of Stock Acquisition Rights held: 67,500 units (number of subject shares: 67,500 shares); ownership ratio (note 5): 0.19%), the relatives of Former Chairman Terada: the Company vice president and representative director Mr. Daisuke Terada (number of shares held: 4,699,124 shares; number of Stock Acquisition Rights held: 105,900 units (number of subject shares: 105,900 shares); ownership ratio: 7.30%); the Company managing director Mr. Tsuyoshi Terada (number of shares held: 3,581,724 shares; number of Stock Acquisition Rights held: 38,600 units (number of subject shares: 38,600 shares); ownership ratio: 5.50%); Ms. Kuniko Terada (number of shares held: 5,074 shares; ownership ratio: 0.01%); Mr. Keisuke Terada (number of shares held: 2,737,174 shares; ownership ratio: 4.16%); Ms. Ayako Terada (number of shares held: 688,100 shares; ownership ratio: 1.05%); and Ms. Akemi Takato (number of shares held: 698,249 shares; ownership ratio: 1.06%), as well as Yugen .Kaisha. Meiko (“Meiko”; number of shares held: 82,800 shares; ownership ratio: 0.13%), an asset management company, all of the outstanding shares of which are owned by Mr. Keisuke Terada and Ms. Ayako Terada (collectively referred to as “Shareholders Agreeing to Tender”). The Shareholders Agreeing to Tender have agreed to tender all of the Shares and Stock Acquisition Rights that they each hold (excluding 39,650 shares of transfer-restricted stock held by Mr. Mori, 19,975 shares of transfer-restricted stock held by Mr. Daisuke Terada and 9,625 shares of transfer-restricted stock held by Mr. Tsuyoshi Terada allotted to them as officers of the Company in the form of transfer-restricted stock compensation. Of these, the Company plans to perform gratis acquisition on August 3, 2020, in accordance with transfer-restricted stock allocation agreements respectively executed with Mr. Mori, Mr. Daisuke Terada, and Mr. Tsuyoshi Terada, of the 13,825 transfer-restricted shares owned by Mr. Mori that constitute performance-target-commitment-type transfer-restricted stock compensation, the 6,625 such transfer-restricted shares owned by Mr. Daisuke Terada, and the 3,125 such transfer-restricted shares owned by Mr. Tsuyoshi Terada.) (number of shares held: 12,478,503 shares; number of Stock Acquisition Rights: 212,000 units (number of subject shares: 212,000 shares); ownership ratio: 19.28%; referred to as the “Tender-Agreed Shares etc.”) in the Tender Offer. For details concerning the Tender Agreements, see “(1) Tender Agreements” under “4. Matters Relating to Material Agreements Concerning Tendering of Shares in Tender Offer between the Tender Offeror and Company Shareholders, Directors, and Others” below.

<omitted>

Thereafter, in order to provide Company shareholders with an opportunity to make determinations in consideration of the fact that the market price of Shares had moved so as to surpass the Tender Offer Price, the Tender Offeror decided, on June 22, 2020, to extend the Tender Offer Period to July 9, 2020 (“**First Extension**”), and for the same reason, the Tender Offeror decided on July 9, 2020 to further extend the Tender Offer Period to August 3, 2020. The Tender Offeror had not discussed changing the Tender Offer Price or the Stock Acquisition Right Purchase Prices as of either June 22, 2020, when the decision was made to provide the First Extension, or July 9, 2020.

(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to So Called Two-Step Acquisition)

(ii) Consolidation of Shares

Pre-Amendment

If after establishment of the Tender Offer, the aggregate voting rights held by the Tender Offeror and Meiwa (special controlling shareholder wholly-owned subsidiary) is not at least 90% of the voting rights of all Company shareholders, promptly after completion of settlement of the Tender Offer, the Tender Offeror plans to request that the Company convene an extraordinary general shareholders meeting that includes on the agenda proposals to implement consolidation of the Shares (the “Share Consolidation”) pursuant to Article 180 of the Companies Act and partial amendment of the Articles of Incorporation to eliminate provisions concerning the number of shares constituting one unit, conditioned on the Share Consolidation coming into effect (the “Extraordinary General Shareholders Meeting”). The Tender Offeror believes that convening the Extraordinary General Shareholders Meeting at the earliest possible time would be desirable from the perspective of enhancing the Company’s corporate value and plans to make a request to announce designation of the record date such that a day (currently scheduled for late-July, 2020) shortly after the day of commencement of settlement of the Tender Offer is the record date for the Extraordinary General Shareholders Meeting. In the case where the Company receives such a request from the Tender Offeror, the Company plans to comply with that request. The Tender Offeror and Meiwa plan to vote for the proposals described above at the Extraordinary General Shareholders Meeting.

<subsequent text omitted>

Post-Amendment

If after establishment of the Tender Offer, the aggregate voting rights held by the Tender Offeror and Meiwa (special controlling shareholder wholly-owned subsidiary) is not at least 90% of the voting rights of all Company shareholders, promptly after completion of settlement of the Tender Offer, the Tender Offeror plans to request that the Company convene an extraordinary general shareholders meeting that includes on the agenda proposals to implement consolidation of the Shares (the “Share Consolidation”) pursuant to Article 180 of the Companies Act and partial amendment of the Articles of Incorporation to eliminate provisions concerning the number of shares constituting one unit, conditioned on the Share Consolidation coming into effect (the “Extraordinary General Shareholders Meeting”). The Tender Offeror believes that convening the Extraordinary General Shareholders Meeting at the earliest possible time would be desirable from the perspective of enhancing the Company’s corporate value and plans to make a request to announce designation of the record date such that a day (currently scheduled for late-August, 2020) shortly after the day of commencement of settlement of the Tender Offer is the record date for the Extraordinary General Shareholders Meeting. In the case where the Company receives such a request from the Tender Offeror, the Company plans to comply with that request. The Tender Offeror and Meiwa plan to vote for the proposals described above at the Extraordinary General Shareholders Meeting.

*<subsequent text omitted>*

(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer

(v) Securing Objective Conditions for Ensuring the Fairness of the Tender Offer

Pre-Amendment

Tender Offeror has not executed with the Company any agreement including a deal protection provision prohibiting contact by the Company with any Counterbidder regarding the Company Shares or any other agreement restricting contact by a Counterbidder with the Company. Further, Tender Offeror has set as the purchase etc. period (“Tender Offer Period”) involved in the Tender Offer a period of 44 business days, which is longer than the statutory minimum of 20 business days. By setting a comparatively long period as the Tender Offer Period, Tender Offeror intends to ensure an appropriate Tender Offer Price by securing for the Company’s shareholders and the Stock Acquisition Right Holders an appropriate opportunity for decision-making regarding tendering shares in the Tender Offer and securing an opportunity for persons other than Tender Offeror to make counteroffer etc. for the Company Shares.

*<subsequent text omitted>*

Post-Amendment

Tender Offeror has not executed with the Company any agreement including a deal protection provision prohibiting contact by the Company with any Counterbidder regarding the Company Shares or any other agreement restricting contact by a Counterbidder with the Company. Further, Tender Offeror has set as the purchase etc. period (“Tender Offer Period”) involved in the Tender Offer a period of 59 business days, which is longer than the statutory minimum of 20 business days. By setting a comparatively long period as the Tender Offer Period, Tender Offeror intends to ensure an appropriate Tender Offer Price by securing for the Company’s shareholders and the Stock Acquisition Right Holders an appropriate opportunity for decision-making regarding tendering shares in the Tender Offer and securing an opportunity for persons other than Tender Offeror to make counteroffer etc. for the Company Shares.

*<subsequent text omitted>*

End

Reference: “Notice regarding Amendment to Terms of Tender Offer of Shares, Etc. of Nichiigakkan Co., Ltd. (Securities Code: 9792)” dated July 9, 2020 (attachment)

July 9, 2020

To whom it may concern

Company K.K. BCJ-44  
Representative Yuji Sugimoto, Representative Director

**Notice regarding Amendment to Terms of Tender Offer of Shares, Etc. of**

**Nichiigakkan Co., Ltd. (Securities Code: 9792)**

K.K. BCJ-44 (the “**Offeror**”) hereby announces to amend the content of “Notice Regarding Commencement of a Tender Offer of Shares, Etc. of Nichiigakkan Co., Ltd. (Securities Code: 9792)” (including the amendment by “Notice regarding Amendment to Terms of Tender Offer of Shares, Etc. of Nichiigakkan Co., Ltd. (Securities Code: 9792)” announced as of June 22, 2020) as follows, as today the Offeror has decided to extend the last day of the purchase period (the “**Purchase Period**”) of the tender offer (the “**Tender Offer**”) of the common shares (the “**Target Shares**”) which are listed on the First Section of the Tokyo Stock Exchange Inc., and the stock acquisition rights, of Nichiigakkan Co., Ltd. (the “**Target**”), which the Offeror commenced on May 11, 2020. The amendments are underlined.

1. Details of the Tender Offer

(3) Purchase Period

(Before Amendment)

From May 11, 2020 (Monday) to July 9, 2020 (Thursday) (44 business days)

(After Amendment)

From May 11, 2020 (Monday) to August 3, 2020 (Monday) (59 business days)

(7) Commencement Date of the Settlement

(Before Amendment)

July 16, 2020 (Thursday)

(After Amendment)

August 11, 2020 (Tuesday)

2. Overview of the Tender Offer

(Before Amendment)

[Omitted]

Further, in making the Tender Offer, the Offeror executed tender offer agreements dated May 8, 2020 with each of Mr. Mori, President and Representative Director of the Target, (number of shares owned (Note 4): 55,508 shares, number of Stock Acquisition Rights owned: 67,500 stock acquisition rights (number of underlying shares: 67,500 shares), ownership ratio (Note 5): 0.19%), Mr. Daisuke Terada, who is a relative of Former Chairman Terada and Vice President and Representative Director of the Target, (number of shares owned: 4,699,124 shares, number of Stock Acquisition Rights owned: 105,900 stock acquisition rights (number of underlying shares: 105,900 shares), ownership ratio: 7.30%), Mr. Tsuyoshi Terada, who is a relative of Former Chairman Terada and a Managing Director of the Target, (number of shares owned: 3,581,724 shares, number of Stock Acquisition Rights owned: 38,600 stock acquisition rights (number of underlying shares: 38,600 shares), ownership ratio: 5.50%), Ms. Kuniko Terada, who is a relative of Former Chairman Terada, (number of shares owned: 5,074 shares, ownership ratio: 0.01%), Mr. Keisuke Terada, who is a relative of Former Chairman Terada, (number of shares owned: 2,737,174 shares, ownership ratio: 4.16%), Ms. Ayako Terada, who is a relative of Former Chairman Terada, (number of shares owned: 688,100 shares, ownership ratio: 1.05%), Ms. Akemi Takato, who is a relative of Former Chairman Terada, (number of shares owned: 698,249 shares, ownership ratio: 1.06%), and Yugen Kaisha Meiko, which is an asset management company all of whose issued shares are owned by Mr. Keisuke Terada and Ms. Ayako Terada, (number of shares owned: 82,800 shares, ownership ratio: 0.13%) (collectively, the “**Tendering Shareholders**”), and the Tendering Shareholders agreed to tender in the Tender Offer all of the Target Shares and the Stock Acquisition Rights they own (excluding 39,650 shares with restrictions on transfer owned by Mr. Mori, 19,975 shares with restrictions on transfer owned by Daisuke Terada and 9,625 shares with restrictions on transfer owned by Tsuyoshi Terada, which constitute stock compensation with restrictions on transfer that have been allocated to Mr. Daisuke Terada and Mr. Tsuyoshi Terada as directors of the Target) (Target Shares: 12,478,503 shares, number of Stock Acquisition Rights: 212,000 stock acquisition rights (number of underlying shares: 212,000 shares), ownership ratio: 19.28%).

[Omitted]

Thereafter, on June 22, 2020, the Offeror decided to extend the last day of the purchase period to July 9, 2020 in order to provide with the shareholders of the Target an opportunity for decision-making, considering the fact that the market price of the shares of the Target kept moving above the Tender Offer Price. As of the date of this Amendment, the Offeror doesn't consider changing the Tender Offer Price or the Stock Acquisition Rights Purchase Prices.

(After Amendment)

[Omitted]

Further, in making the Tender Offer, the Offeror executed tender offer agreements dated May 8, 2020 with each of Mr. Mori, President and Representative Director of the Target, (number of shares owned (Note 4): 55,508 shares, number of Stock Acquisition Rights owned: 67,500 stock acquisition rights (number of underlying shares: 67,500 shares), ownership ratio (Note 5): 0.19%), Mr. Daisuke Terada, who is a relative of Former Chairman Terada and Vice President and Representative Director of the Target, (number of shares owned: 4,699,124 shares, number of Stock Acquisition Rights owned: 105,900 stock acquisition rights (number of underlying shares: 105,900 shares), ownership ratio: 7.30%), Mr. Tsuyoshi Terada, who is a relative of Former Chairman Terada and a Managing Director of the Target, (number of shares owned: 3,581,724 shares, number of Stock Acquisition Rights owned: 38,600 stock acquisition rights (number of underlying shares: 38,600 shares), ownership ratio: 5.50%), Ms. Kuniko Terada, who is a relative of Former Chairman Terada, (number of shares owned: 5,074 shares, ownership ratio: 0.01%), Mr. Keisuke Terada, who is a relative of Former Chairman Terada, (number of shares owned: 2,737,174 shares, ownership ratio: 4.16%), Ms. Ayako Terada, who is a relative of Former Chairman Terada, (number of shares owned: 688,100 shares, ownership ratio: 1.05%), Ms. Akemi Takato, who is a relative of Former Chairman Terada,

(number of shares owned: 698,249 shares, ownership ratio: 1.06%), and Yugen Kaisha Meiko, which is an asset management company all of whose issued shares are owned by Mr. Keisuke Terada and Ms. Ayako Terada, (number of shares owned: 82,800 shares, ownership ratio: 0.13%) (collectively, the “**Tendering Shareholders**”), and the Tendering Shareholders agreed to tender in the Tender Offer all of the Target Shares and the Stock Acquisition Rights they own (excluding 39,650 shares with restrictions on transfer owned by Mr. Mori, 19,975 shares with restrictions on transfer owned by Daisuke Terada and 9,625 shares with restrictions on transfer owned by Tsuyoshi Terada, which constitute stock compensation with restrictions on transfer that have been allocated to Mr. Daisuke Terada and Mr. Tsuyoshi Terada as directors of the Target. According to the Target, the Target plans to acquire without contribution as of August 3, 2020, 13,825 shares with restrictions on transfer owned by Mr. Mori, 6,625 shares with restrictions on transfer owned by Mr. Daisuke Terada, and 3,125 shares with restrictions on transfer owned by Mr. Tsuyoshi Terada, which are the performance target commitment-based restricted shares, in accordance with the share allotment agreements with Mr. Mori, Mr. Daisuke Terada and Mr. Tsuyoshi Terada.) (Target Shares: 12,478,503 shares, number of Stock Acquisition Rights: 212,000 stock acquisition rights (number of underlying shares: 212,000 shares), ownership ratio: 19.28%).

[Omitted]

Thereafter, on June 22, 2020, the Offeror decided to extend the last day of the purchase period to July 9, 2020 in order to provide with the shareholders of the Target an opportunity for decision-making, considering the fact that the market price of the shares of the Target kept moving above the Tender Offer Price (the “**First Extension**”), and further, on July 9, 2020, the Offeror decided to extend the last day of the purchase period to August 3, 2020 for the same reason. As of both June 22, 2020, when the Offeror decided the First Extension, and the date of this Amendment, respectively, the Offeror doesn’t consider changing the Tender Offer Price or the Stock Acquisition Rights Purchase Prices.

#### 4. Policy of Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)

##### (ii) Consolidation of Shares

(Before Amendment)

If the total number of voting rights owned by the Offeror and Meiwa (wholly-owned subsidiary corporation of a special controlling shareholder) after the completion of the Tender Offer is less than 90% of the voting rights of all shareholders of the Target, the Offeror will, promptly after the completion of the settlement of the Tender Offer and under the provisions of Article 180 of the Companies Act, make a request to the Target to hold an extraordinary shareholders meeting (the “**Extraordinary Shareholders Meeting**”) and to propose as agenda items at the Extraordinary Shareholders Meeting a consolidation of the Target Shares (the “**Share Consolidation**”) and a partial amendment to its Articles of Incorporation to abolish the provision on share units on the condition of the Share Consolidation taking effect.

The Offeror believes it would be preferable for the Extraordinary Shareholders Meeting to be held as soon as possible from the perspective of enhancement of the corporate value of the Target, so the Offeror will make a request to the Target to make an Announcement of Establishment of a Record Date so that the date promptly following the commencement date of the settlement of the Tender Offer (as of today, late-July, 2020) will be the record date of the Extraordinary Shareholders Meeting. According to the Target Press Release, if the Target receives such a request from the Offeror, it will comply with that request. It is also expected that the Offeror and Meiwa will approve each of the above proposals at the Extraordinary Shareholders Meeting.

[Omitted]

(After Amendment)

If the total number of voting rights owned by the Offeror and Meiwa (wholly-owned subsidiary corporation of a special controlling shareholder) after the completion of the Tender Offer is less than 90% of the voting rights of all shareholders of the Target, the Offeror will, promptly after the completion of the settlement of the Tender Offer and under the provisions of Article 180 of the Companies Act, make a request to the Target to hold an extraordinary shareholders meeting (the “**Extraordinary Shareholders Meeting**”) and to propose as agenda items at the Extraordinary Shareholders Meeting a consolidation of the Target Shares (the “**Share Consolidation**”) and a partial amendment to its Articles of Incorporation to abolish the provision on share units on the condition of the Share Consolidation taking effect.

The Offeror believes it would be preferable for the Extraordinary Shareholders Meeting to be held as soon as possible from the perspective of enhancement of the corporate value of the Target, so the Offeror will make a request to the Target to make an Announcement of Establishment of a Record Date so that the date promptly following the commencement date of the settlement of the Tender Offer (as of today, ~~late-August~~, 2020) will be the record date of the Extraordinary Shareholders Meeting. According to the Target Press Release, if the Target receives such a request from the Offeror, it will comply with that request. It is also expected that the Offeror and Meiwa will approve each of the above proposals at the Extraordinary Shareholders Meeting.

[Omitted]

-End-

#### **Restrictions on Solicitation**

This press release is intended for the announcement of the Tender Offer to the general public and is not intended to solicit sales of shares. If any shareholder desires to sell his or her shares, the shareholder should review the Tender Offer explanatory statement and accept the Tender Offer in his or her own discretion. This press release is not considered as an offer or solicitation of sales of securities or as a solicitation of a purchase offer, and does not constitute any such part. This press release (or any part thereof) or the fact of its distribution does not provide a basis of any kind of agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

#### **Forward Looking Statements**

This press release contains “forward looking statements” as defined in Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934. Due to known or unknown risks, uncertainties, or other factors, it is possible that actual results may differ materially from the projections expressly or implicitly indicated by such “forward looking statements”. Neither the Tender Offeror nor its affiliates guarantee that the projections expressly or implicitly indicated by such “forward looking statements” will be correct. The “forward looking statements” in this press release were prepared based on information available to the Tender Offeror as of the date of this press release, and neither the Tender Offeror nor its affiliates undertake any obligation to update or modify such statements to reflect events or circumstance that may arise after this release.